Loss of revenue due to uniform tax in Pondicherry

1690. SHRI C. P. THIRUNAVUKKARASU: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that due to implementation of uniform tax in the Union Territory of Pondicherry, the State has incurred a loss in revenue to the tune of Rs. 60 crore per year; and

(b) if so, in what manner Government are going to compensate the loss?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) The Government of Pondicherry has reported that due to introduction of Uniform Floor Rates of Sales Tax in the Union Territory, there is an estimated loss of Rs.57.62 crore as on 28 February, 2002.

(b) The gap, if any, between the non-plan expenditure and the receipts of the Government of Pondicherry is filled by the Central Government as part of normal budgetary support.

Stake of foreign banks in Indian Banks

1691. SHRI VIJAY SINGH YADAV: Will the Minister of FINANCE be pleased to state:

(a) whether Reserve Bank of India has asked Government to clarify the foreign banks' stake in Indian Banks as reported in 'Business Standard' of February 9, 2002;

(b) if so, the details in this regard alongwith the names of foreign banks in the country with their operations making inroads into nationalised banks;

(c) the details regarding the work culture of Indian and Foreign Banks; and

(d) whether Government are contemplating sweeping Bank reforms on the lines of China's Central Bank?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) Yes, Sir.

(b) RBI has subsequently issued guidelines dated 16th February, 2002 on Foreign Direct Investment in the Banking Sector. RBI has not received any proposal so far from any foreign bank having branch presence in India to participate in the equity of private sector banks/ nationalised banks.

(c) The work culture of the banks to some extent can be judged by business per employee and profit per employee. The median value for these ratios at end of March, 2001 in respect of public sector banks and foreign banks is given below:

(*Rs. in crore*)

	Business per Employee	Profit per Employee
Public Sector Banks	141.95	0.55
Foreign Banks	631.70	4.66

(d) Banking reforms in our country are being made according to our requirements.

Misappropriation of Investors' Money by Private Companies

†1692. SHRI BALKAVI BAIRAGI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that inspite of all efforts made by the Department of Company Affairs, the whereabouts are not known in respect of the companies which have misappropriated the amount of investors to the tune of Rs.65 crore and Rs.63 lakhs;

(b) if so, the steps taken by Government to return the misappropriated amount to the investors; and

(c) what are the details in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) to (c) Information is

†Original notice of the question was received in Hindi.